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15710
RECORDING NO. _____ FILE NO. _____

July 11, 1988

JUL 11 1988-9 45 AM

INTERSTATE COMMERCE COMMISSION

Ms. Mildred Lee
Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Washington, D.C. 20423

No.

8 193A030

Date

JUL 11 1988

Fee \$

13⁰⁰

ICC Washington, D.C.

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Dear Ms. Lee:

Enclosed is a Lease of Railroad Equipment dated June 29, 1988,
between the following parties:

Sub-Lessor: Weyerhaeuser Company
Tacoma, Washington 98477

Sub-Lessee: Camas Prairie Railroad Co.
P. O. Box 1166
Lewiston, ID 83501

The equipment involved in this agreement is as follows:

Equipment: 37, 100-ton 68' Log Loading Cars
WTCX 307-363, N.S.

Please file this agreement as a primary document. The filing
fee of \$13 is enclosed.

Sincerely,

Mary Ann Oster

Mary Ann Oster
Research Consultant

Enclosure

JUL 11 9 39 AM '88
MOTOR CARRIER DIV
U.S. DEPT. OF TRANSPORTATION

I Don't know if this is the right person to contact. Mary Ann Oster

Interstate Commerce Commission
Washington, D.C. 20423

7/11/88

OFFICE OF THE SECRETARY

Mary Ann Oster
Researching Services
12897 Colonial Dr.
Mt Airy, MD. 21771

Dear Ms. Oster:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 7/11/88 at 9:45am, and assigned recordation number(s). 15710,15711,15712,15713

Sincerely yours,

Nanta R. McGee
Secretary

Enclosure(s)

15710

JUL 11 1988 9 48 AM

INTERSTATE COMMERCE COMMISSION

LEASE OF RAILROAD EQUIPMENT

BETWEEN

WEYERHAEUSER COMPANY,

AND

CAMAS PRAIRIE RAILROAD COMPANY

LEASE OF RAILROAD EQUIPMENT

LEASE OF RAILROAD EQUIPMENT, dated as of June 27, 1988, between WEYERHAEUSER COMPANY, a Washington corporation, (hereinafter called the "Sub-Lessor") and the CAMAS PRAIRIE RAILROAD COMPANY, (hereinafter called the "Sub-Lessee"), an operating company jointly owned by the Burlington Northern Railroad Company and the Union Pacific Railroad Company, both being Delaware corporations. The term "Affiliate" as used hereinafter means any parent or subsidiary of the Sub-Lessee.

WHEREAS, the Lessor has been assigned leasehold interest in 100 ton flatcars more fully described in Annex A hereto (hereinafter called the "Subleased Units");

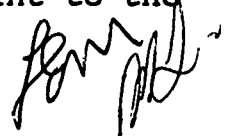
WHEREAS, the Sub-Lessee desires to lease from the Sub-Lessor all the Subleased Units at the rentals and for the terms and upon the conditions hereinafter provided;

NOW, THEREFORE, in consideration of the premises and of the rentals to be paid and the covenants hereinafter mentioned to be ept and performed by the Sub-Lessee, the Sub-Lessor hereby leases the Subleased Units to the Sub-Lessee upon the following terms and conditions:

1. Underlying Lease. The parties agree that this Sublease shall be subject and subordinate to all of the terms, covenants, conditions and provisions of the equipment lease (the "underlying lease") between The Liberty National Bank and Trust Company of Oklahoma City, as Lessor, and Sub-Lessor (Weyerhaeuser Company), as Lessee thereunder, dated as of December 1, 1972, covering, in part, the Subleased Units and to all of the title and other matters to which the Underlying Lease is subject or subordinate (see Annex C attached hereto and made part hereof). A copy of said Underlying Lease and amendments have been delivered to and examined by Sub-Lessee.

2. Extent of Parties' Rights and Obligations. Sub-Lessee shall in no case have any rights in respect of the Subleased Units greater than Sub-Lessor's rights under the Underlying Lease, and Sub-Lessor shall have no liability to Sub-Lessee for any matter whatsoever for which Sub-Lessor does not have at least co-extensive rights, as Lessee, against the Lessor under the Underlying Lease.

3. Delivery and Acceptance of Subleased Units. The Sub-Lessee hereby accepts the Units on the lines of the Burlington Northern Railroad in the states of Washington and Idaho (hereinafter called the "Acceptance Point"), whereupon each Subleased Unit shall be subject to all terms and conditions of this Sublease. The Acceptance Point shall be determined by the Lessor. The Sub-Lessee further agrees to be responsible for any transportation cost of moving the Subleased Units from the Acceptance Point to the

SUB- 

Sub-Lessee's interchange at Riparia, Washington. The Sub-Lessor agrees to furnish the Subleased Units in compliance with now existing AAR rules of interchange. Sub-Lessee, at its expense, shall have the right to inspect and reject the Subleased Units subject to this Sublease, prior to the Sub-Lessor's transporting the Subleased Units from their present location.

4. Car Hire Earnings. Subleased Units will be zero-rated in UMLER and, therefore, the Sub-Lessee shall enjoy no car hire earnings (per diem and mileage) hereafter until the expiration or sooner termination of this Sublease.

5. Rentals. The Sub-Lessee agrees to pay the Sub-Lessor monthly rental for each Subleased Unit subject to this Sublease in the amount of [REDACTED] each per Subleased Unit, payable monthly in advance. Rental shall become effective with regard to each Subleased Unit upon the date of the delivery of each to the Sub-Lessee at Riparia, Washington, except that rental shall become effective with regard to Subleased Unit numbers WTCX 318, 335, 346, 348, 354, 359, and 363 upon the date of the delivery of each as provided in Paragraph 3. Rental shall continue in effect with regard to each of the Subleased Units until returned to the Sub-Lessor at the end of the term of this Sublease, as hereafter provided in Paragraph 6. Payment of Lease Rental shall be made to the Sub-Lessor at the address specified in Paragraph 18, or to such other place as Sub-Lessor may direct, with the first month's payment due on November 1, 1988 and is to include prorated payment for any cars received and used prior to this date. Rental for any Subleased Unit for any partial month shall be prorated on a daily basis. Any costs incurred by the Sub-Lessor in collecting Rental wrongfully withheld by Sub-Lessee, including reasonable attorney fees, will be paid by the Sub-Lessee.

It is understood that the Affiliate hereby agrees to guarantee all rental and other costs to be paid under this Sublease. In the event the Sub-Lessee shall be in default in the payment of any sum of money to be paid under this Sublease, whether rental or otherwise, the Sub-Lessee shall pay the Sub-Lessor, as additional rental, to the extent permitted by applicable law, interest on such unpaid sum from its due date to date of payment by the Sub-Lessee at a rate equal to [REDACTED] per annum.

This Sublease is a net lease and the Sub-Lessee shall not be entitled to any abatement of rent, reduction thereof or set-off against rent, including, but not limited to, abatements, reductions or setoffs due or alleged to be due to, or by reason of, any past, present or future claims of the Sub-Lessee against the Sub-Lessor under this Sublease or otherwise; nor shall this Sublease terminate, or the respective obligations of the Sub-Lessor or Sub-Lessee be otherwise affected, by reason of any defect in or damage to or loss of possession or loss of use of or destruction of all or any of the Subleased Units from whatsoever cause, the prohibition of or other restriction against Sub-Lessee's use of all or any of the Subleased Units, the interference with such use by any private person or

entity, the invalidity or unenforce-ability or lack of due authorization of this Sublease, or for any other cause whether similar or dissimilar to the foregoing, and present or all be subject thereafter to all terms and conditions of future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other payments payable by the Sub-Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided. To the extent permitted by applicable law, the Sub-Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the lease of any Subleased Units except in accordance with the express terms hereof. Each rental or other payment made by the Sub-Lessee hereunder shall be final and the Sub-Lessee shall not seek to recover all or any part of such payment from the Sub-Lessor for any reason whatsoever. The rentals and other sums payable by the Sub-Lessee hereunder shall be paid without notice, demand, counterclaim, or defense by reason of any circumstance or occurrence whatsoever.

6. Term of Sublease. The term of this Sublease with respect to each Subleased Unit shall begin on June 10, 1988, and, unless sooner terminated in accordance with the provisions of the Sublease, shall end on July 17, 1993.

The obligations of the Sub-Lessee hereunder (including, but not limited to, the obligations of the Sub-Lessee under Paragraphs 8, 11 and 13 hereof) shall survive the expiration or sooner termination of this Sublease.

7. Identification Marks. The Sub-Lessee will cause each Subleased Unit to be kept numbered with its identifying number as set forth in Annex A hereto and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of such Subleased Unit in letters not less than one inch in height, the words "Leased by The Liberty National Bank and Trust Company of Oklahoma City, as Trustee, and subject to a security agreement filed with the Interstate Commerce Commission" or other appropriate words designated by the Sub-Lessor, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of the Lessor under the Underlying Lease and the rights of the Lessor under this Sublease. The Sub-Lessee will not place any such Subleased Unit in operation or exercise any control or dominion over the same until such names and word or words shall have been so marked on both sides thereof and will replace promptly any such names and word or words which may be removed, defaced or destroyed. The Sub-Lessee will not permit the identifying number of any Subleased Unit to be changed except in accordance with a statement of new identifying numbers to be substituted therefor, which statement previously shall have been filed with the Sub-Lessor by the Sub-Lessee and filed, recorded or deposited in all public offices where this Sublease will have been filed, recorded and deposited.

Except as above provided, the Sub-Lessee will not allow the name of any person, association or corporation to be placed on

the Subleased Units as a designation that might be interpreted as a claim of ownership.

8. Taxes. All payments to be made by the Sub-Lessee hereunder will be free of expense to the Sub-Lessor for collection or other charges and will be free of expense to the Sub-Lessor with respect to the amount of any local, state or federal taxes, assessments or licenses and any charges, fines or penalties in connection with or measured by, this Sublease or any sale, rental, use, payment, shipment, delivery or transfer of title under the terms hereof all of which taxes, assessments, licenses, charges, fines and penalties the Sub-Lessee assumes and agrees to pay in addition to the payments to be made by it provided for herein. The Sub-Lessee will also pay all taxes, assessments or licenses (and any charges, fines or penalties in connection therewith) which may be imposed upon any Subleased Unit or for the use or operation thereof and will keep at all times all and every part of such Subleased Unit free and clear of all taxes and assessments which might in any way affect the title of the Sub-Lessor or result in a lien upon any such Subleased Unit.

9. Casualty Occurrence. In the event that any Subleased Unit shall be or become worn out, lost, stolen, destroyed or irreparably damaged or obsolete or economically unserviceable for use from any cause whatsoever, or any Subleased Unit shall be condemned, confiscated, or seized, or the title to or use of any Subleased Unit shall be requisitioned for a period of 90 continuous days (such occurrences being hereinafter called Casualty Occurrences) during the term of this Sublease, the Sub-Lessee shall on the next succeeding rental payment date after it shall have determined that such Subleased Unit has suffered a Casualty Occurrence, fully inform the Sub-Lessor in regard thereto. On such date the Sub-Lessee shall pay to the Sub-Lessor an amount equal to the accrued rental for such Subleased Unit to the date of such payment plus the amount indicated in Annex B which represents the casualty value of such Unit. Upon the making of such payment by the Sub-Lessee in respect of a Subleased Unit, the rental for such Subleased Unit shall cease to accrue as of the date of such payment, the term of this Sublease as to such Subleased Unit shall terminate and (except in the case of the loss, theft or complete destruction of such Subleased Unit) the Sub-Lessor shall be entitled to recover possession of such Subleased Unit.

Except as hereinabove in this Paragraph 9 provided, the Sub-Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Subleased Unit after delivery to and acceptance thereof by the Sub-Lessee hereunder.

Sub-Lessor has the right, in its sole discretion, to replace any and all Units destroyed or damaged beyond repair, and such replacement Units will be subject to this Sublease as if originally a part thereof.

10. Report and Inspection. On or before January 1 in each year, commencing with the Calendar year 1989, the Sub-Lessee will furnish to the Sub-Lessor (a) an accurate statement setting forth as of the preceding December 31 the amount, description and numbers of all Subleased Units then leased hereunder, the amount, description and numbers of all Subleased Units that have suffered a Casualty Occurrence during the preceding calendar year and (b) such other information regarding the condition and state of repair of the Subleased Units as the Sub-Lessor may reasonably request. The Sub-Lessor, at its sole cost and expense, shall have the right by their agents, to inspect the Subleased Units and the Sub-Lessee's records with respect thereto at such reasonable times as the Sub-Lessor may request during the continuance of this Sublease.

11. Compliance with Laws and Rules; Maintenance; Insurance and Indemnification. The Sub-Lessor makes no warranty or representation, either expressed or implied, as to the design, compliance with specifications, or condition of, or as to the quality of the material, equipment or workmanship in, the Subleased Units delivered to the Sub-Lessee hereunder, and THE SUB-LESSOR MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS OF THE SUBLEASED UNITS FOR ANY PARTICULAR PURPOSE, OR AS TO CONDITION, COMPLIANCE WITH SPECIFICATIONS, QUALITY OR (EXCEPT AS SET FORTH IN PARAGRAPH 2 HEREOF) AS TO TITLE TO THE SUBLEASED UNITS OR ANY COMPONENT THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY SUBLEASED UNIT, OR COMPONENT THEREOF, EITHER UPON DELIVERY THEREOF TO THE SUB-LESSEE OR OTHERWISE, it being agreed that all such risks, as between the Sub-Lessor and the Sub-Lessee, are to be borne by the Sub-Lessee.

The Sub-Lessee agrees, for the benefit of the Sub-Lessor, to comply in all respects with all laws of the jurisdictions in which operations involving any Subleased Unit subject to this Sublease may extend, with the interchange rules of the Association of American Railroads and with all rules of the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over any such Subleased Unit, to the extent such laws and rules affect the operations or use of such Subleased Unit; and in the event such laws or rules require the alteration of any such Subleased Unit, the Sub-Lessee will conform therewith, and will maintain the same in proper condition or operation under such laws and rules; provided, however, that the Sub-Lessee may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the reasonable opinion of the Sub-Lessor, adversely affect the property or rights of the Sub-Lessor hereunder.

Subject to Paragraph 9, the Sub-Lessee agrees it will return the Subleased Units to the Sub-Lessor at the expiration of the term or sooner termination of this Sublease in good order and repair, ordinary wear and tear excepted, suitable for movement in the interchange system.

Any and all additions to any Subleased Unit and any replacements thereto and of parts thereof made by the Sub-Lessee shall constitute accessions to such Subleased Unit and, without cost or expense to the Sub-Lessor, there shall be immediately vested in the Sub-Lessor the same interest therein as the interests of the Sub-Lessor in such Subleased Unit.

The Sub-Lessee hereby acknowledges that it has elected to be self insured for public liability and for property damage. Sub-Lessee agrees to give immediate notice to Sub-Lessor of any material adverse change in its financial condition that would preclude meeting its financial obligation under the Sublease during the term of this Sublease.

The Sub-Lessee agrees to indemnify and save harmless the Sub-Lessor against any charges or claims made against the Sub-Lessor, and against any expense, loss or liability (including but not limited to counsel fees and expenses, penalties and interest) which the Sub-Lessor may incur in any manner (unless resulting from the Sub-Lessor's sole negligence) by reason of entering into or the performance of this Sublease or the ownership of, or which may arise in any manner out of or as a result of the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of, any Subleased Unit until such Subleased Unit is returned to the Sub-Lessor in accordance with the terms of the Sublease, and to indemnify and save harmless the Sub-Lessor against any charge, claim, expense, loss or liability on the account of any accident (unless resulting from the Lessor's sole negligence) in connection with the operation, use, condition, possession or storage of such Subleased Unit resulting in damage to property or injury or death to any person. The indemnities contained in this paragraph shall survive payment or performance of all other obligations under this Sublease or the termination of this Sublease.

The Sub-Lessee agrees to prepare and deliver to the Sub-Lessor within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of the Sub-Lessor) any and all mandatory reports of which the Sub-Lessee has or reasonably should have actual knowledge, except income tax reports, to be filed by the Sub-Lessor, with any Federal, state or other regulatory authority by reason of the ownership by the Sub-Lessor of the Subleased Units or the leasing of the Subleased Units to the Sub-Lessee. The Sub-Lessor shall notify the Sub-Lessee of any such reports of which the Sub-Lessor has actual knowledge.

12. Return of the Subleased Units Upon Expiration of Term. As soon as practicable on or after the expiration of the term of this Sublease with respect to any Unit, the Sub-Lessee will, at its own cost and expense, at the request of the Sub-Lessor, deliver possession of such Subleased Unit to the Sub-Lessor upon such storage tracks of the Sub-Lessor or its Affiliates as the Sub-Lessor may reasonably designate.

The delivery of the Subleased Units as hereinbefore provided is of the essence of this Sublease, and upon application to any court of equity having jurisdiction in the premises, the Sub-Lessor shall be entitled to a decree against the Sub-Lessee requiring specific performance of the covenants of the Sub-Lessee so to deliver the Subleased Units.

13. Default. If, during the continuance of this Sublease, one or more of the following events (hereinafter sometimes called Events of Default) shall occur;

(a) default shall be made in the payment of any part of the rental provided in Paragraph 5 hereof and such default shall continue for ten days after written notice is sent to Sub-Lessee;

(b) the Sub-Lessee shall make or permit any unauthorized assignment or transfer of this Sublease or of possession of the Subleased Units, or any thereof;

(c) default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Sub-Lessee contained herein and such default shall continue for thirty days after written notice from the Sub-Lessor to the Sub-Lessee specifying the default and demanding the same to be remedied;

(d) any proceedings shall be commenced by or against the Sub-Lessee for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extension (other than a law which does not permit any readjustment of the obligations of the Sub-Lessee hereunder), and all the obligations of the Sub-Lessee under this Sublease shall not have been duly assumed in writing, pursuant to a court order or decreed, by a trustee or trustees appointed for the Sub-Lessee or for the property of the Sub-Lessee in connection with any such proceedings in such manner that the status of such shall be the same as expense of receivers, within thirty days after such appointment, if any, or sixty days after such proceedings shall have been commenced, whichever shall be earlier;

(e) any material representation made by the Sub-Lessee herein or in any certificate or other instrument delivered under or pursuant to any provision hereof shall prove to have been false or incorrect in any material respect on the date as of which made;

then, in any such case, the Sub-Lessor, at its option may:

(i) proceed by appropriate court action or actions either at law or in equity, to enforce performance by the Sub-Lessee of the applicable covenants of this Sublease or to recover damages for the breach thereof; or

(ii) by notice in writing to the Sub-Lessee terminate this Sublease, whereupon all rights of the Sub-Lessee to the use of the Subleased Units shall absolutely cease and determine as though this Sublease had never been made, but the Sub-Lessee shall remain liable as herein provided; and thereupon, the Sub-Lessor may in a reasonable manner and without damage to the property of the Sub-Lessee or injury to any person by its agents enter upon the premises of the Sub-Lessee or other premises where any of the Subleased Units may be and take possession of all or any of such Subleased Units and thenceforth hold, possess and enjoy the same free from any right of the Sub-Lessee, or its successors or assigns, to use the Subleased Units for any purposes whatever; but the Sub-Lessor shall, nevertheless, have a right to recover from the Sub-Lessee any and all amounts which under the terms of this Sublease may be then due or which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Sub-Lessee (a) as representing actual loss incurred by the Sub-Lessor, damages for loss of the bargain and not as a penalty, a sum, with respect to each Subleased Unit which represents the then present value of all rentals for such Subleased Unit which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Sublease as to such Subleased Unit, such present value to be computed in each case on a basis of a [REDACTED] per annum discount, compounded annually from the respective dates upon which rentals would have been payable hereunder had this Sublease not been terminated, and (b) any damages and expenses, including reasonable attorneys' fees, in addition thereto which the Sub-Lessor shall have sustained by reason of the breach of any covenant or covenants of this Sublease other than for the payment of rental, including, without limitation, expenses of resale or re-leasing (including incidental transportation costs incurred by Sub-Lessor).

The remedies in this Sublease provided in favor of the Sub-Lessor shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its favor existing at law or in equity. The Sub-Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify the remedies herein provided, to the extent that such waiver is permitted by law. The Sub-Lessee hereby waives any and all existing or future claims to any offset against the rental payments due hereunder, and agrees to make rental payments regardless of any offset or claim which may be asserted by the Sub-Lessee or on its behalf.

The failure of the Sub-Lessor to exercise the rights granted it hereunder upon any occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

14. Return of Subleased Units Upon Default. If this Sublease shall terminate pursuant to Paragraph 13 hereof, the Sub-Lessee shall forthwith deliver possession of the Subleased Units to the Sub-Lessor. The condition of the Subleased Units upon such return shall be as required pursuant to Paragraph 11 hereof. For the purpose of delivering possession of any Subleased Unit or Subleased Units to the Sub-Lessor as above required, the Sub-Lessee shall at its own cost, expense, and risk place such Subleased Units upon such storage tracks of the Sub-Lessor or its Affiliates as the Sub-Lessor reasonably may designate or, in the absence of such designation, as the Sub-Lessee may select. The delivery of the Subleased Units as hereinbefore provided are of the essence of this Sublease, and upon application to any court of equity having jurisdiction in the premises the Sub-Lessor shall be entitled to a decree against the Sub-Lessee requiring specific performance of the covenants of the Sub-Lessee so to deliver the Subleased Units.

Without in any way limiting the obligation of the Sub-Lessee under the foregoing provisions of this Paragraph 14, the Sub-Lessee hereby irrevocably appoints the Sub-Lessor as the agent and attorney of the Sub-Lessee, with full power and authority, at any time while the Sub-Lessee is obligated to deliver possession of any Subleased Unit to the Sub-Lessor, to demand and take possession of such Subleased Unit in the name and on behalf of the Sub-Lessee from whomsoever shall be at the time in possession of such Subleased Unit. In connection therewith Sub-Lessee will supply Sub-Lessor with such documents as Sub-Lessor may reasonably request.

15. Assignment; Possession and Use. Conditioned upon the Sub-Lessee performing all of the terms, covenants, and conditions of this Sublease, the Sub-Lessor, its successors and assigns will not disturb the Sub-Lessee's peaceable and quiet possession and use of the Subleased Units during the term of this Sublease, provided, that no Event of Default has occurred and is continuing. The Sub-Lessor will, however, have the right to substitute similar Subleased Units after ninety (90) days following Sublease commencement provided that such substitution does not interfere with the Sub-Lessee's peaceful and quiet possession and use of the Subleased Units.

This Sublease shall be assignable in whole or in part by the Sub-Lessor without the consent of the Sub-Lessee, but the Sub-Lessee shall be under no obligation to any assignee of the Sub-Lessor except upon written notice of such assignment from the Sub-Lessor. All the rights of the Sub-Lessor hereunder (including but not limited to the rights under Paragraphs 8, 11 and 13) shall inure to the benefit of the Sub-Lessor's assigns. Whenever the term Sub-Lessor is used in this Sublease it shall apply and refer to each assignee of the Sub-Lessor. In conjunction with any assignment of this Sublease by Sub-Lessor, Sub-Lessee hereby agrees to provide any reasonable documentation requested by Sub-Lessor.

So long as the Sub-Lessee shall not be in default under this Sublease, the Sub-Lessee may without any prior consent of the Sub-Lessor sub-sublease any one or more of the Subleased Units or

assign this Sublease to any one or more of the Sub-Lessee's Affiliates, or with the prior written consent of the Sub-Lessor sub-sublease the Subleased Units to third parties; provided, that (i) such Sub-sublease or assignment shall provide that the subject Subleased Units shall be operated and maintained in accordance with the terms hereof; (ii) the Sub-Lessee shall provide the Sub-Lessor with 10 days advance notice of any such Sub-sublease or assignment and a copy of such Sub-sublease or assignment; (iii) such Sub-sublease shall be subject and subordinate to the terms and provisions of this Sublease and the interests of the SubLessor; and (iv) no such Sub-sublease or assignment shall relieve Sub-Lessee of its obligations hereunder, which shall remain those of a principal and not a surety.

The Sub-Lessee represents and warrants that: (i) Sub-Lessee (or any assignee or Sub-sublessee) will not at any time during the term of this Sublease use or fail to use any Subleased Unit, in such a way as to disqualify it as "Section 38 property" within the meaning of Section 48 of the Code; (ii) Sub-Lessee (or any assignee or Sub-sublessee) will at all times during the term of this Sublease use each Subleased Unit in such a way that for federal income tax purposes, all amounts includable in the gross income of Sub-Lessor with respect to each Subleased Unit and all deductions allowable to Sub-Lessor with respect to each Subleased Unit will be treated as derived from, or allowable to, sources within the United States; and (iii) Sub-Lessee will maintain sufficient records to verify such use, which records will be furnished to Sub-Lessor within 30 days after receipt of a written demand therefor.

So long as the Sub-Lessee shall not be in default under this Sublease, the Sub-Lessee shall be entitled to the possession and use of the Subleased Units in accordance with the terms of this Sublease, but the Sub-Lessee shall not assign or transfer (except as otherwise permitted by this Paragraph 15) or encumber its leasehold interest under this Sublease in the Subleased Units (except to the extent that the provisions of any existing mortgage on any of the lines of railroad of the SubLessee may subject such leasehold interest to the lien thereof); and, in addition, the Sub-Lessee, at its own expense, will as soon as possible cause to be duly discharged any lien, charge or other encumbrance (other than an encumbrance resulting from claims against the Sub-Lessor not related to the ownership of the Subleased Units) which may at any time be imposed on or with respect to any Subleased Unit or the interest of the Sub-Lessor, or the Sub-Lessee therein. The Sub-Lessee shall not, without the prior written consent of the Sub-Lessor, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Subleased Units, except to the extent permitted by the provision of the next succeeding paragraph hereof.

So long as the Sub-Lessee shall not be in default under this Sublease, the Sub-Lessee shall be entitled to the possession of the Subleased Units and to the use thereof upon the lines of railroad owned or operated by it (either alone or jointly) or by any

corporation a majority of whose voting stock (i.e., having ordinary voting power for the election of a majority of its Board of Directors) is owned directly or indirectly by the Sub-Lessee, or its Affiliates, or upon lines of railroad over which the Sub-Lessee or any such corporation has trackage or other operating rights or over which railroad equipment of the Sub-Lessee is regularly operated pursuant to contract, and also to permit the use of the Subleased Units upon connecting and other railroads in the usual interchange of traffic, but only upon and subject to all the terms and conditions of this Sublease.

Nothing in this Paragraph 15 shall be deemed to restrict the right of the Sub-Lessee to assign or transfer its leasehold interest under this Sublease in the Subleased Units or possession of the Subleased Units to any corporation (which shall have duly assumed the obligations hereunder of the Sub-Lessee) into or with which the Sub-Lessee shall have become merged or consolidated or which shall have acquired the property of the Sub-Lessee as an entirety or substantially as an entirety; provided, however, (i) that such assignee or transferee will not, upon the effectiveness of such merger, consolidation or acquisition be in default under any provision of this Sublease, (ii) such assignee or transferee shall be of a character so that after giving effect to such merger, consolidation or acquisition, the ability of the assignee or transferee to perform the obligations of the Sub-Lessee hereunder shall not, in the reasonable opinion of the Sub-Lessor, be adversely affected; and (iii) such assignee or transferee shall execute an assumption agreement expressly assuming all of the obligations of the Sub-Lessee hereunder (including, but not limited to, Paragraph 17 hereof).

In connection with any Sub-sublease or assignment by Sub-Lessee under this Paragraph 15, whether or not Sub-Lessee is required to obtain the consent of the Sub-Lessor to any such transaction, Sub-Lessee agrees, at its expense, to cause any such assignment or Sub-sublease to be duly filed and recorded with the Interstate Commerce Commission in accordance with the 49 U.S.C. 11303 in order to protect the interest of the Sub-Lessor in and to the Subleased Units under this Sublease.

The Sub-Lessee agrees that during the term of this Sublease, the Sub-Lessee will not assign any Subleased Unit to service involving the operation and maintenance thereof outside the United States of America and that during such term of any Subleased Unit outside the United States of America will be limited to incidental and temporary use in Canada.

16. Recording. Prior to the delivery and acceptance of the Subleased Units, and in connection with any Sub-sublease or assignment permitted by Paragraph 15 hereof, the Sub-Lessee will cause this Sublease and any such Sub-sublease or assignment to be filed and recorded with the Interstate Commerce Commission in accordance with 49 U.S.C. 11303. The Sub-Lessee will, from time to time, do and perform any other act and will execute, acknowledge,

deliver, file, register, record and deposit (and will refile, reregister, rerecord or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Sub-Lessor for the purpose of proper protection to the satisfaction of the Sub-Lessor of its title to the Subleased Units or for the purpose of carrying out the intention of this Sublease.

17. Notices. Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States certified mails, first-class postage prepaid, addressed as follows:

If to the Sub-Lessor: Weyerhaeuser Company
Tacoma, Washington 98477
Attn: Mr. Michael A. Lyders

If to the Sub-Lessee: Camas Prairie Railroad Company
P.O. Box 1166
Lewiston, ID 83501

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

18. Severability. Any provision of this Sublease which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition of unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

19. Effect and Modification of SubLease. This Sublease exclusively and completely states the rights of the Sub-Lessor and the Sub-Lessee with respect to the leasing of the Subleased Units and supersedes all other agreements, oral or written, with respect thereto. No variation or modification of this Sublease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized signatories for the Sub-Lessor and the Sub-Lessee.

20. Successors and Assigns. This Sublease will bind and inure to the benefit of the respective successors and permitted assigns of the parties hereto.

21. Execution. This Sublease, and any lease supplemental hereto, may be executed in several counterparts, each of which so executed shall be deemed to be an original, and in each case such counterparts together shall constitute but one and the same instrument.

22. Law Governing. This Sublease shall be construed, and all questions concerning its performance and the rights and remedies of the parties hereunder shall be determined, in accordance with the laws of Washington; provided, however, that the parties shall be entitled to all rights conferred by U.S.C. 11303.

IN WITNESS WHEREOF, the Sub-Lessor and the Sub-Lessee, each pursuant to due authority, have caused these presents to be signed in their respective names as of the date first above written.

Attest:

Alan H. Landes

Title Operator's Analyst

WEYERHAEUSER COMPANY

By Michael W. Lyden

Title DIRECTOR OF TRANSPORTATION

Attest:

DEF yfe

Title MGR CONTRACT SERVICES

CAMAS PRAIRIE RAILROAD COMPANY

By SM

Title PRESIDENT

STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

On this 27th day of June, 1988, before me personally appeared Michael A. Lyders, to me personally known, who, being by me duly sworn, says that he is a Director of Transportation of WEYERHAEUSER COMPANY, that said instrument was signed and sealed on behalf of said corporation by authority of its President and Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sarah C. Talley
Notary Public

My Commission Expires: 5/8/91

[Notarial Seal]

STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

On this 13th day of June, 1988, before me personally appeared L. E. Donnell, to me personally known, who being by me duly sworn says that he is the President of the CAMAS PRAIRIE RAILROAD COMPANY, that said instrument was signed and sealed on behalf of said corporation by authority of its President and Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Judith L. Nelson
Notary Public

My Commission Expires: July 8, 1991

[Notarial Seal]

Annex A
to
Sublease of Railroad Equipment
Dated as of June 27, 1988

Equipment Description

100 Ton, 68-foot log
loading cars

Equipment Numbers

WTCX 307	WTCX 332
308	333
309	335
310	336
311	337
312	339
313	340
314	341
315	342
316	343
318	344
319	345
322	346
323	347
324	348
326	354
327	359
328	361
	363

Annex B
to
Sublease of Railroad Equipment
Dated as of June 27, 1988

CASUALTY SCHEDULE

Date on which Casualty Value
is Paid (Payment in Addition to
Daily Interim Rental of Fixed
Rental Due on Such Date).

Casualty Value
Payable Per Item

May 1, 1988 - June 30, 1988
July 1, 1988 - December 31, 1988
January 1, 1989 - June 30, 1989
July 1, 1989 - December 31, 1989
January 1, 1990 - June 30, 1990
July 1, 1990 - December 31, 1990
January 1, 1991 - June 30, 1991
July 1, 1991 - December 31, 1991
January 1, 1992 - June 30, 1992
July 1, 1992 - December 31, 1992
January 1, 1993 - July 17, 1993

